

JUDGE LEISURE

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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GRAFICHE MILANI S.p.A.,

Plaintiff,

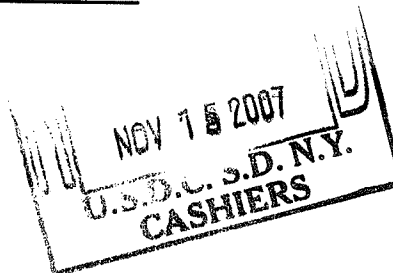
- against -

ASSOULINE PUBLISHING, INC. and
ASSOULINE, INC.,

Defendants.
----- X

07 CV 10364
Civil Action No: 10364

: COMPLAINT



Plaintiff Grafiche Milani S.p.A. ("Grafiche Milani"), as and for its Complaint against Defendants Assouline Publishing, Inc. ("Assouline Publishing") and Assouline, Inc. ("Assouline Inc.") (collectively, the "Defendants"), alleges as follows:

INTRODUCTION

1. This is an action for breach of contract and account stated arising from Defendants buying products from Grafiche Milani and failing to pay Grafiche Milani the full amount owed for those purchases.

JURISDICTION AND VENUE

2. This Court has jurisdiction over this civil action pursuant to 28 U.S.C. § 1332(a), based on the complete diversity of the parties and an amount in controversy in excess of \$75,000, exclusive of interest and costs.

3. Venue is proper in this District under 28 U.S.C. § 1391 because (a) the defendants both reside in this District and (b) a substantial part of the events or omissions giving rise to Grafiche Milani's claim occurred in this District.

THE PARTIES

4. At all times relevant herein, Plaintiff Grafiche Milani (i) was and still is a corporation organized under the laws of Italy and having a principal place of business at Via Marconi, 17; 20090 Segrate (Milano) Italy; (ii) was and still is engaged in, among other things, the business of printing and selling art books and catalogs.

5. Upon information and belief, at all times relevant, herein, Defendant Assouline Publishing was and still is a corporation organized under the laws of New York State with a principal place of business at 601 West 26th Street, New York, New York.

6. Upon information and belief, at all times relevant, herein, Defendant Assouline Inc. was and still is a corporation organized under the laws of New York State and with a principal place of business at 601 West 26th Street, New York, New York.

FACTUAL BACKGROUND

The Financial Obligations

7. Between June 2005 and July 2006, Grafiche Milani agreed to sell certain goods to the Defendants at a reasonable stated value. Assouline Inc. and Assouline Publishing each agreed to buy the goods from Grafiche Milani at that reasonable stated value. Defendants ordered the products by either telephone, e-mail communications, or by completing and sending to Grafiche Milani purchase orders.

8. After receiving the Defendants' purchase orders, Grafiche Milani shipped the goods ordered by Defendants to the Defendants, and the Defendants took possession of the goods that they ordered from Grafiche Milani.

9. The Defendants agreed to pay Grafiche Milani for the goods that they purchased from Grafiche Milani at the amount stated.

The Invoices

10. Pursuant to the agreement that each Defendant would pay Grafiche Milani for the goods that each purchased from Grafiche Milani, Grafiche Milani billed each Defendant for amounts due and sent to each Defendant invoices after the shipment of each order made by each Defendant.

11. Between June 20, 2005 and September 21, 2006, Grafiche Milani issued eighteen (18) invoices to Assouline Inc. for amounts due under its agreement to purchase and pay for the goods ordered, totaling 666,630.03 euros, for which Assouline Inc. has made payments to Grafiche Milani totaling 543,096.04 euros.

12. Assouline Inc. failed to object to any of the invoices, sent to it by Grafiche Milani, in a timely manner.

13. The outstanding unpaid balance of the invoices issued to Assouline Inc. is 123,533.99 euros (the "Assouline Inc. Outstanding Balance").

14. Between November 30, 2005 and April 29, 2006, Grafiche Milani issued twelve (12) invoices to Assouline Publishing for amounts due under its agreement to purchase and pay for the goods ordered, totaling 2,350,915.90 euros, for which Assouline Publishing has made payments to Grafiche Milani totaling 2,003,488.70 euros.

15. Assouline Publishing failed to object to any of the invoices, sent to it by Grafiche Milani, in a timely manner.

16. The outstanding unpaid balance of the invoices issued to Assouline Publishing is 347,427.20 euros (the "Assouline Publishing Outstanding Balance").

17. The terms of the invoices issued to each Defendant required payments be made promptly or within 90 days.

18. Upon information and belief, as of November 14, 2007, 1 euro is equivalent to 1.47 United States dollars, satisfying the jurisdictional requirements of 28 U.S.C. § 1332(a).

**AS AND FOR A FIRST CAUSE OF ACTION
(Breach of Contract Against Assouline Publishing)**

19. Grafiche Milani repeats and realleges the allegations contained in paragraphs 1 through 18 as if fully pleaded herein.

20. Grafiche Milani duly performed each of its obligations pursuant to the agreement by which Assouline Publishing purchased and Grafiche Milani sold the goods.

21. Assouline Publishing has failed to pay the total amount due Grafiche Milani.

22. Accordingly, Assouline Publishing defaulted on its obligations under, and thereby breached the terms of its agreement with Grafiche Milani by failing to pay the Assouline Publishing Outstanding Balance.

23. As a result, Assouline Publishing is liable to Grafiche Milani for not less than the Assouline Publishing Outstanding Balance of 347,427.20 euros plus interest thereon.

**AS AND FOR A SECOND CAUSE OF ACTION
(Account Stated Against Assouline Publishing)**

24. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 23 herein as if fully pleaded herein.

25. By virtue of Grafiche Milani's rendering of services and submission of regular invoices to Assouline Publishing pursuant to the purchase agreements, an account was stated for the Assouline Publishing Outstanding Balance.

26. The invoices referred to above were received by Assouline Publishing without objection being made by Assouline Publishing.

27. The Assouline Publishing Outstanding Balance of 347,427.20 euros on the invoices remains unpaid.

28. As a result, Grafiche Milani is entitled to judgment against Assouline Publishing for an amount not less than 347,427.20 euros plus interest thereon.

**AS AND FOR A THIRD CAUSE OF ACTION
(Breach of Contract Against Assouline Inc.)**

29. Grafiche Milani repeats and realleges the allegations contained in paragraphs 1 through 28 as if fully pleaded herein.

30. Grafiche Milani duly performed each of its obligations pursuant to its agreement by which Assouline Inc. purchased and Grafiche Milani sold the goods.

31. Assouline Inc. has failed to pay the total amount due Grafiche Milani.

32. Accordingly, Assouline Inc. defaulted on its obligations under, and thereby breached the terms of, its agreements with Grafiche Milani by failing to pay the Assouline Inc. Outstanding Balance.

33. As a result, Assouline Inc. is liable to Grafiche Milani for not less than the Assouline Inc. Outstanding Balance of 123,533.99 euros plus interest thereon.

**AS AND FOR A FOURTH CAUSE OF ACTION
(Account Stated Against Assouline Inc.)**

34. Plaintiff repeats and realleges the allegations contained in paragraphs 1 through 33 herein as if fully pleaded herein.

35. By virtue of Grafiche Milani's rendering of services and submission of regular invoices to Assouline Inc. pursuant to the purchase agreements, an account was stated for the Assouline Inc. Outstanding Balance.

36. The invoices referred to above were received by Assouline Inc. without objection being made by Assouline Inc.

37. The Assouline Inc. Outstanding Balance of 123,533.99 euros on the invoices remains unpaid.

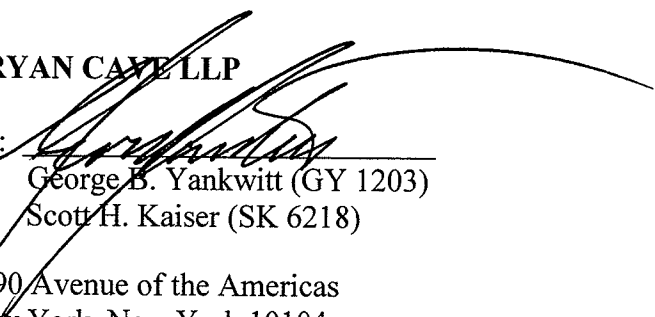
38. As a result, Grafiche Milani is entitled to judgment against Assouline Inc. for an amount not less than 123,533.99 euros plus interest thereon.

WHEREFORE, Plaintiff demands judgment against as follows:

- (i) On the first cause of action, a judgment against Assouline Publishing in the amount not less than 347,427.20 euros plus interest;
- (ii) On the second cause of action, a judgment against Assouline Publishing in the amount not less than 347,427.20 euros plus interest;
- (iii) On the third cause of action, a judgment against Assouline Inc. in the amount not less than 123,533.99 euros plus interest;
- (iv) On the fourth cause of action, a judgment against Assouline Inc. in the amount not less than 123,533.99 euros plus interest;
- (v) Costs and reasonable attorneys' fees; and
- (iv) Such other, further and different relief that is just and proper.

Dated: November 15, 2007
New York, New York

BRYAN CAYE LLP

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